

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b> FOR: HEALTH CARE FINANCING ADMINISTRATION	1. TRANSMITTAL NUMBER: <u>0 3 -- 0 8</u>	2. STATE MO
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE April 1, 2003

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN
 ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN
 ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 431, Subpart M	7. FEDERAL BUDGET IMPACT: a. FFY 2003 \$700 b. FFY 2004 \$2,800
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Attachment 4.16-212	9. PAGE NUMBER OF THE SUPERSEDES PLAN SECTION OR ATTACHMENT (If Applicable):  New Material

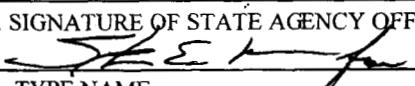
10. SUBJECT OF AMENDMENT:

Interagency Agreement between the Department of Mental Health and the Department of Social Services regarding administrative case management activities necessary for the efficient administration of the Medicaid programs administered by the Department of Mental Health, Division of Comprehensive Psychiatric Services

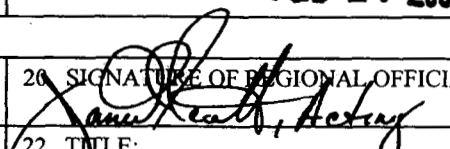
11. GOVERNOR'S REVIEW (Check One)

☒ GOVERNOR'S OFFICE REPORTED NO COMMENT *ce*  
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☐ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO:  Department of Social Services Division of Medical Services 615 Howerton Court P.O. Box 6500 Jefferson City, MO 65109
13. TYPE NAME: Steve Roling	
14. TITLE: Director	
15. DATE SUBMITTED: June 26, 2003	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 06/27/03	18. DATE APPROVED: FEB 17 2004
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: APR 01 2003	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: Thomas W. Lenz	22. TITLE: Associate Regional Administrator for DUCH
23. REMARKS:	SPA CONTROL Date Submitted: 06/26/03 Date Received: 06/27/03

COOPERATIVE AGREEMENT  
between the  
MISSOURI DEPARTMENT OF SOCIAL SERVICES  
Division of Medical Services  
and the  
MISSOURI DEPARTMENT OF MENTAL HEALTH  
Relating to Administrative Case Management Activities for Medicaid Programs  
Administered By the Department of Mental Health

I. STATEMENT OF PURPOSE

This agreement represents the cooperative and mutual understanding between the Department of Social Services (DSS) and the Department of Mental Health (DMH). The Department of Mental Health, recognizing the authority of the single state Medicaid/MC+ agency, will provide or contract for the necessary staff support and conduct administrative functions necessary for the proper and efficient administration of the Medicaid program on behalf of eligible recipients with mental illness or severe emotional disturbance. DSS is the designated single state agency for the Medicaid/MC+ program in Missouri, and the Division of Medical Services (DMS) is the division within DSS which directly manages the Medicaid/MC+ program operations. DMH is the authorized agency responsible for furnishing or purchasing services provided to persons with mental illness and severe emotional disturbance.

The community mental health centers (CMHCs) are statutorily designated administrative agents of DMH and perform functions related to the administration and provision of services to persons with mental illness and severe emotional disturbance. The DMH, Administrative Agents, CMHCs, serve as the entry and exit points into state's public mental health system. This agreement allows for the reimbursement of administrative activities conducted by DMH or its administrative agents for purposes outlined in the agreement not currently performed in any other state plan or inter-agency agreement. Under the terms of this agreement, the Department of Mental Health may contract for outreach and preliminary clinical eligibility determination activities needed to assist persons with mental illness and severe emotional disturbance to obtain needed medical care.

II. MUTUAL OBJECTIVES

- A. Strengthen and promote the public safety net services for persons with mental illness and severe emotional disturbance.
- B. Assist individuals to obtain needed Medicaid services.

TN: 03-08  
Supersedes: New Material

Approval Date: **FEB 17 2004**  
Effective Date: April 1, 2003

- C. Obtain needed Medicaid medical and mental health services for persons with mental illness and severe emotional disturbance.
- D. Perform activities to assist the state Medicaid agency in promoting the proper and efficient administration of the Medicaid program.
- E. Provide program evaluation and coordination between DMH and DSS.
- F. Comply with the: 1964 Civil Rights Act, as amended; Section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975; the Omnibus Reconciliation Act of 1981; and the Americans with Disabilities Act of 1990 and all other applicable federal and state laws which prohibit discrimination in the delivery of services on the basis of race, color, national origin, age, sex, handicap/disability, and religious beliefs.

### III. RESPONSIBILITIES OF THE DEPARTMENT OF SOCIAL SERVICES

The Department of Social Services agrees to:

- A. Establish and/or approve policy regarding claimable activities under this agreement, necessary for the efficient administration of the Medicaid program;
- B. Reimburse DMH the federal share of actual and reasonable costs for allowable administrative activities provided by DMH staff or its administrative agents. Allowable administrative functions will be documented utilizing a time accounting system, which is in accordance with the provisions of OMB circular A87 and 45 CFR parts 74 and 95. The rate of reimbursement for eligible administrative costs will be 50 percent; or 75 percent for those activities performed by skilled professional medical personnel if claimed in accordance with the provisions of 42 CFR 432.
- C. Reimburse the federal share shall be provided upon receipt of quarterly financial statements certified by the Department of Mental Health for eligible claims prepared in accordance with applicable federal regulations;
- D. Maintain the confidentiality of client records and all other client information obtained from DMH or its administrative agents in accordance with all state and federal laws including the Health Insurance Portability and Accountability Act (HIPAA);
- E. Meet and consult on a regular basis with DMH on issues related to this agreement; and
- F. Designate an employee of DMS to serve as a liaison with DMH for administration of this agreement.

### IV. RESPONSIBILITIES OF THE DEPARTMENT OF MENTAL HEALTH

The Department of Mental Health agrees to maintain direct performance of or assure that the following specific activities are in place for the proper and efficient administration of the Medicaid programs currently administered by DMH including Community Psychiatric Rehabilitation, Targeted Case-Management for adults with serious mental illness, Targeted Case-

TN: 03-08

Supersedes: New Material

Approval Date: **FEB 17 2004**

Effective Date: April 1, 2003

Management for children and youth with severe emotional disturbance, Inpatient Psychiatric Services under age 21 and age 65 and over, and Healthy Children and Youth. The Department of Mental Health agrees to directly or through its administrative agents:

- A. Identify, educate and assist individuals with mental illness and severe emotional disturbance to access needed medical treatment through dissemination of Medicaid program information and eligibility requirements directly to individuals or indirectly to organizations serving potential eligible recipients including, but not limited to, local service area courts, hospitals, health clinics, shelters, housing authorities, schools and social service agencies. Actively outreach difficult to reach individuals and engage them to seek needed medical services and apply for eligible Medicaid benefits;
- B. Directly gather preliminary clinical information from individuals (and/or referral sources/significant others) seeking services to assess clinical symptoms, functional disability and specific Medicaid program/service eligibility. This includes direct consultation to the client and/or referral source regarding service recommendations, potential clinical eligibility for Medicaid services and eligible care providers. This may also include activities to gather disability information related to the application and eligibility determination for Supplemental Security Income/Social Security Disability Income (SSI/SSDI), when necessary to assist the individual obtain needed Medicaid services;
- C. Provide oversight and quality assurance for contracted activities through the Department of Mental Health, Division of Comprehensive Psychiatric Services program monitoring and Contract Compliance sections;
- D. Provide professional staff including skilled and non-skilled professional medical personnel as defined in 42 CFR 432.2 and 432.50 and direct support personnel necessary to fulfill the terms and conditions of this agreement;
- E. Account for the activities under this agreement on accordance with the provisions of OMB Circular A87 and 45 CFR part 74 and 95;
- F. Support by written agreement with the administrative agents costs claimed for administrative activities provided by DMH administrative agents. The written agreement with the administrative agents shall include, at a minimum, the specific administrative activities being furnished;
- G. Support costs claimed by DMH for administrative activities with a reporting mechanism that complies with the format outlined by the Department of Social Services Division of Budget and Finance (DSS/DBF) as Attachment A of this agreement. The billing will be based on the actual cost incurred;

TN: 03-08

Supersedes: New Material

Approval Date: **FEB 17 2004**  
Effective Date: April 1, 2003

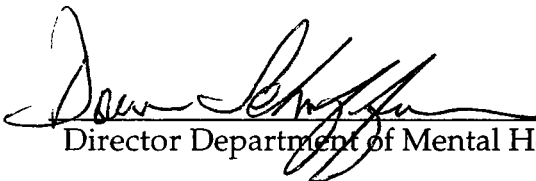
- H. Be responsible for any federal funds that are deferred and/or ultimately disallowed arising from a failure by DMH to comply with a federal requirement; and
- I. Submit to DSS quarterly, or as requested by DSS, the certified financial statements necessary to request federal financial participation (FFP). Requests for FFP will be submitted on the standard form 269 together with a detailed billing statement for the administrative funds requested. These documents will be certified by the Executive Officer or designee of the Department of Mental Health.

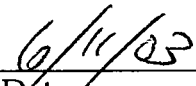
V. JOINT RESPONSIBILITIES


Both the Department of Social Services and the Department of Mental Health shall:

- A. Ensure all federal requirements are met;
- B. Retain all records for a minimum of five years and completion of all audits and/or litigation; and
- C. Maintain and share information that is consistent with principles of confidentiality, efficiency, and responsiveness.

The effective date of this agreement shall be April 1, 2003. This agreement may be amended upon agreement of both parties or may be cancelled at any time upon agreement of both parties or by either party after giving thirty days prior notice in writing, provided, however, that reimbursement shall be made only for the period when the agreement is in full force and effective.

  
\_\_\_\_\_  
Director Department of Mental Health

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Director Department of Social Services

June 26, 2003  
\_\_\_\_\_  
Date

## Documentation of Claims

This agreement identifies the basis upon which claims will be documented by the Department of Health and Senior Services ("the Agency") for expenditures funded by Title XIX Administration for the purposes specified under this agreement.

### General Provisions:

- 1) All costs must satisfy the general provisions for allowability of costs as defined in OMB Circular A-87.
- 2) All costs must satisfy the specific provisions for allowability of costs as defined by all applicable Federal program rules.
- 3) DSS shall only reimburse the allowable Federal share specified by the program.
- 4) All matching funds supporting the billing must be consistent with applicable Federal regulations governing such funds and certified by the Agency with each billing.
- 5) Any deferrals, disallowances, questioned costs, or other items not allowed for Federal Financial participation, claimed by DSS on behalf of the Agency, shall be returned either to DSS or directly to the Federal agency (as determined by DSS) by the Agency.
- 6) Billings will be based on the actual cost incurred.

### Framework:

**45 CFR Part 95.507 (6)** "...costs..for services provided by a governmental agency outside the State agency...will be supported by a written agreement that includes, at a minimum (i) the specific service(s) being purchased, (ii) the basis upon which the billing will be made by the provider agency (e.g. time reports, number of homes inspected, etc.) and (iii) a stipulation that the billing will be based on the actual cost incurred."

### Documentation Standards – Basis Upon Which the Billings Will Be Made:

**Salaries and Wages:** Please refer to OMB Circular A-87, Attachment B – Selected Items of Cost, Section 11 – Support of Salaries and Wages.

Check the item(s) that apply:

- ☐ Employees will work solely on activities funded by Title XIX Administration for the purposes specified under this agreement. Employee payroll records will support the documentation requirements. The Agency agrees to periodically certify that these employees worked solely on that program for the period covered by the certification. Certifications will be prepared at least semi-annually and be maintained by the Agency for inspection by DSS or the Federal agency as they may require.
- ☒ Employees work on multiple activities or cost objectives in addition to the activities funded by Title XIX Administration for the purposes specified under this agreement. Distribution of their salaries or wages will be supported by personnel activity reports that:
- a) reflect an after the fact distribution of the actual Title XIX Administration activity reimbursable under the purposes of this agreement of each employee, and;
  - b) account for the TOTAL activity for which each employee is compensated, and;
  - c) be prepared at least monthly and coincide with one or more pay periods.

And/or

Will be supported by a statistical sampling system or other substitute system.

*[If the cost will be supported by a statistical sampling system or other substitute system, you must attach a detailed description of your allocation methodology. Any changes to that methodology implemented after execution of this agreement will require an amendment to this agreement.]*

**Expense and Equipment:** Please refer to OMB Circular A-87 Attachment A, Section D, Composition of Cost, and OMB Circular A-87 Attachment B – Selected Items of Cost

Check the item(s) that apply.

- ☐ Direct costs: Costs of materials acquired, consumed, or expended benefit only Title XIX Administration for the purposes specified under this agreement.
- ☒ Allocable Costs: Cost are chargeable or assignable in part to Title XIX Administration for the purposes authorized under this agreement in accordance with relative benefits received.

*[If expense and equipment items are allocable you must attach detailed description of the methodology you will utilize to assign those costs in accordance with the relative benefits received under this agreement. Any changes to that methodology implemented after execution of this agreement will require an amendment to this agreement.]*

**Automated Data Processing Costs:** Please refer to 45 CFR Part 95 Subpart F.

Check the item(s) that apply:

- ☐ Costs for automated data processing equipment and services will not be included as a direct charge to Title XIX Administration for the purposes under this interagency agreement.
- ☐ Costs for automatic data processing equipment and services will be included as a direct charge to Title XIX Administration for the purposes under this interagency agreement. We have complied with all provisions 45 CFR Part 95, Subpart F
- ☐ Direct Costs: Costs for automated data processing equipment and services will be included as a direct charge for those costs that benefit only Title XIX Administration for the purposes specified under this agreement.
- ☐ Allocable Costs: Costs for automated data processing equipment and services will be included as chargeable or assignable in part to Title XIX Administration for the purposes authorized under this agreement in accordance with relative benefits received.

No cost related to automated data processing are included as chargeable under this agreement.

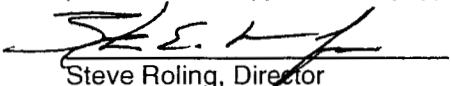
*[If automated data processing costs are allocable you must attach detailed description of the methodology you will utilize to assign those costs in accordance with the relative benefits received under this agreement. Any changes to that methodology implemented after execution of this agreement will require an amendment to this agreement.]*

**Indirect Costs:**

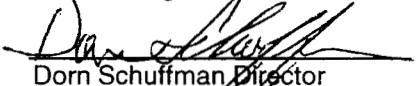
Check the item that applies:

- ☐ State agency indirect costs will not be included.
- ☒ State agency indirect costs will be included. They have been approved as evidenced by our Federally Approved Indirect Cost Negotiation Agreement.

*[If indirect costs are to be included, you must attach a copy of your current Federally Approved Indirect Cost Negotiation Agreement. The annual or bi-annual changes to indirect cost rates - provided they have been approved in your Federally Approved Indirect Cost Negotiation Agreement - will be allowed and will not require an amendment to this agreement, provided that a copy of the newly approved agreement is provided to the DSS Division of Budget and Finance.]*

  
Steve Roling, Director  
Department of Social Services

Date June 26, 2003

  
Dorn Schuffman, Director  
Department of Mental Health

Date 6/11/03

TN: 03-08  
Supersedes: New Material

Approval Date: **FEB 17 2004**  
Effective Date: April 1, 2003